



SENATE

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Bill No.

SB 422

March 25, 2011

Mr. Chairman, Members of the Committee:

For the record, my name is Molly Severtson, and I'm here today representing The Policy Institute, a nonprofit organization promoting public policy based on economic justice, fair taxation, corporate accountability and environmental responsibility. I rise today in support of Senate Bill 422.

2010 was a record-breaking year in federal election spending. It has been estimated that more than \$4 billion was spent to influence the last election. Many questions remain regarding the source of this money and how it will influence our politics in the future. The cause, however, is well known.

In the *Citizens United v. FEC* decision of 2010, the Supreme Court overruled two important precedents and struck down a 60-year-old federal ban on independent expenditures by corporations and unions. The decision allows these entities to spend their treasury funds on advertisements expressly advocating the election or defeat of a candidate.

In the 2010 election, we discovered that the anonymity provided by certain tax-exempt vehicles denies the public the right to know who is responsible for the many TV commercials, radio ads and flyers that bombard them through Election Day. The last election also highlighted the inadequacy of our federal disclosure laws as well as the rise of the so-called "Super-Pac" (527 organizations) that can raise an unlimited amount of money to run advertisements.

Throughout the late 19th and early 20th centuries in Montana, the "Copper Kings" were able to dominate the political debate and drown out the voices of ordinary Montanans. The company was able to accomplish this through direct bribery as well as by pouring money into every aspect of Montana politics.

Now, as a result of the *Citizens United* decision and the Montana District Court's decision in October 2010 to overturn the state's century-old ban prohibiting special interests from making independent expenditures to support or oppose political candidates or parties, limiting this kind of spending and ensuring fair elections in the state has been set back a century. Montana, in particular, is vulnerable to election corruption due to the relatively low cost of state and federal campaigns.

It is important to note that both the majority and dissenting opinions of the Supreme Court agree that disclosure is now more important than ever. And providing more disclosure – as well as more attribution – is what SB 422 does. SB 422 will help voters to know who is behind all of the advertising that is thrown at them during a campaign, so they can make more informed voting decisions. Over the years, there has been a dramatic rise in the influence of special interests in campaigns. It's not good for campaigns, it's not good for voters and it's not good for democracy. I urge you to support SB 422.

Thank you,


Molly Severtson
Executive Director